

RODOLFO R. PAULINO AND CORINA I. PAULINO, COMPLAINANTS, VS. JUDGE DONATO M. GUEVARA, RESPONDENT.*A.M. No. 584-CJ. March 30, 1977*

Ponente: BARREDO, J.

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Administrative complaint in Adm. Matter No. 584-CJ against Judge Donato M. Guevara of the City Court of Manila charging said respondent with knowingly rendering an unjust decision, bias and ignorance of the law and another administrative complaint in Adm. Matter No. 851-CJ charging the same respondent with grave abuse of discretion.

In the first case, complainants Rodolfo R. Paulino and Corina I. Paulino alleged that the judgment of acquittal rendered by respondent in Criminal Case No. I-143658 in his court, entitled *People of the Philippines vs. Benjamin Oliva* was marked by bias and ignorance of the law and was unjust and, furthermore, it was rendered by said respondent well knowing that it was unjust. They claim that respondent's findings of facts are not supported by the evidence and that his conclusions of law conflict with established jurisprudence. They assert that respondent did not carefully analyze the evidence and that he "completely disregarded the convincing evidence of the prosecution and what was discussed in said Decision was only the evidence of the defense." Respondent was required to comment on the foregoing charges, which he did on January 7, 1974. And after careful evaluation of said comment together with its annexes in the light of the allegations of the complaint and the contents of the annexes thereto, the Court deems it unnecessary to hold any further proceedings, since on the basis thereof the matter on hand may already be properly disposed of.

It appears that purportedly by virtue of an agreement dated March 11, 1967, herein complainants, the spouses Rodolfo R. Paulino and Corina I. Paulino, sold to Benjamin Oliva the accused in the above-mentioned criminal case, and his wife, a 1965 Ford Cortina being operated as a taxi. The said agreement was as follows:

"AGREEMENT

"KNOW ALL MEN BY THESE PRESENTS:

"THIS AGREEMENT made and entered into on this 11th day of March, 1967, by and between CORINA I. PAULINO, Filipino, of legal age, married, with residence at 17-C, A-1 Project 6, Quezon City, hereinafter referred to as the First Party and Atty. and Mrs. Benjamin Oliva, husband and wife, Filipinos, and with residence at 7567 Sycamore St., Green Village, Parañaque, Rizal, hereinafter referred to as the Second Party;

"1. WHEREAS the First Party is the owner of a 1965 (Ford Cortina bearing Plate No. 2599, 1967, Manila, Motor No. 113E-411679 and Chassis No. NE-76-Em-10129.

"2. WHEREAS the First Party is the lessee of a one (1) unit line to operate said taxi from Lourdes Ridad, owner and operator of Rivar Taxi.

"3. WHEREAS the term of said lease from Rivar Taxi is 3-1/2 years starting October 18, 1965.

"4. WHEREAS said Taxi No. 2599 is presently mortgaged to the Francisco Commercial Corporation with a balance of P368.00 monthly starting March 28, 1967 to October 28, 1967, or a period of 8 months, with interest therein at the rate of 1% on the unpaid balance.

"5. WHEREAS the First Party desires to sell said taxi, together with her lease, to the line to the Second Party.

WITNESSETH

"NOW, THEREFORE, for and in consideration of the sum of Eight Thousand Two Hundred Ninety Eight Pesos (P8,298.00), the First Party hereby sells and conveys unto the Second Party Taxi No. 2599, together with the right to operate the line for the unexpired portion of the 3-1/2 years lease from Rivar Taxi, entered into on October 10, 1965, subject to the following terms and conditions:

"1. The sum of Two Thousand Pesos (P2,000.00) Checks No. 602947 and dated March 31, 1967 and April 15, 1967 respectively, are hereby acknowledged by the First Party as partial payment.

"2. The sum of Three Thousand Three Hundred and Fifty Pesos to be paid as follows:

a) P1,000.00 on or before April 30, 1967

b) P1,000.00 on or before May 31, 1967

c) P1,350.00 on or before June 30, 1967

"3. To secure the payment of this above mentioned amounts, the Second Party hereby issues the following postdated checks:

Check No.

Amount

Date

a.

P

April 30, 1967

b.

P

May 31, 1967

c.

P

June 30, 1967

"4. The balance of P368 monthly for 8 months with interest on the unpaid as provided for in the contract by the First Party with Francisco Commercial Corporation, will be assumed by the Second Party who will issue, the corresponding checks to the First Party starting March 31, 1967 until October 31, 1967 at a rate of P368.00 is issued under Check No. 604745 dated March 31, 1967 corresponding to the March, 1967 payment and thereafter checks will be issued on the 15th of every month until the balance is fully paid together with the interest therein:

"5. The Second Party assumes all expenses and liability arising from suits in the operation of the taxi and if for any reason the First Party shall be made liable by third parties in connection with the operation of said taxi, the second party binds himself to assume all liabilities therein.

"6. The First Party warrants the legality, terms and conditions with her contract with Rivar Taxi and binds herself to defend and protect the rights of the Second Party, her transferee in said contract.

"IN WITNESS WHEREOF we have set our signatures on this 11th day of March, 1967, at Manila, Philippines.

(Sgd.) CORINA I. PAULINO

First Party

(Sgd.) BENJAMIN OLIVA

(Sgd.) GABRIELA M. OLIVA

Second Party."

(Pages 136-137, Record.)

In a complaint filed on November 16, 1967 with the City Court of Manila in Civil Case No. 166002 of said court, herein complainants sought the collection from the Olivas of an alleged balance of P6,340.00 of the amount stipulated in the above contract. The Olivas lost that case as well as the appeal thereof to the Court of First Instance of Manila in its Civil Case No. 75918, wherein the judgment of the inferior court was affirmed on April 6, 1971. An attempt to appeal from this latter decision was frustrated, as neither the Court of Appeals nor the Supreme Court was persuaded to grant relief to the Olivas against the action of the Court of First Instance of Manila declaring its judgment final and executory. Thus, the civil case between complainants and the Olivas came to an end on April 25, 1972 when the second motion for reconsideration of the Olivas was denied by the Supreme Court.

In the meanwhile, under date of October 21, 1971, there was filed against Benjamin Q. Oliva in the City Court of Manila, in the branch presided by herein respondent judge, an information as follows:

"INFORMATION

The undersigned accuses Benjamin Q. Oliva of the crime of perjury, committed as follows:

That on or about the 29th day of March, 1968, in the City of Manila, Philippines, the said accused did then and there willfully, unlawfully and feloniously subscribe and swear to an affidavit before a notary public, duly appointed, qualified and acting, as such, and a competent person authorized to administer oath, in which the said accused affirmed and swore, among other things, that one Corina Paulino is not in fact a lessee to any unit of the Rivar Taxi, neither is she the registered owner of the said motor vehicle subject of a sale, and that Rodolfo R. Paulino and said Corina Paulino employed deceit and fraudulent acts in selling a motor vehicle and subleasing a franchise over which they have no proprietary nor leasehold right, which facts as falsely sworn to by him are material matters and, required by law for the purpose of supporting his, estafa charge against the spouses Rodolfo R. Paulino and Corina Paulino.

Contrary to law.

(SGD.) MARIANO CASTAÑEDA, JR.

Assistant Fiscal

"I hereby certify that a preliminary investigation in this case has been conducted by me in accordance with law

wherein the accused was given a chance to appear in person or by counsel; that there is reasonable ground to believe that the offense charged has been committed; that the accused is probably guilty thereof; and that the filing of this information is with the prior authority and approval of the City Fiscal.

Manila, October 21, 1971.

(SGD) MARIANO CASTAÑEDA, JR.

Assistant Fiscal

SUBSCRIBED AND SWORN to before me this 21st day of October 1971, in the City of Manila, Philippines.

(SGD) ILLEGIBLE

Assistant Fiscal

WITNESSES:

1. Rodolfo R. Paulino, 17-C A-1, Proj. 6, Q. City (to bring documentary evidence)

2. Corina Paulino, -do?

And others.

BAIL RECOMMENDED: P1,000.00" (Page 48, Record.)

The affidavit referred to in the above information reads thus:

"A F F I D A V I T

REPUBLIC OF THE PHILIPPINES)

CITY OF MANILA) S.S.

I, BENJAMIN Q. OLIVA, of legal age, married and residing at 7567 Sycamore St., Marcelo Green Village, South Superhighway, Parañaque, Rizal, after having been duly sworn to under oath depose and state:

1. That I am the same attorney who is the complainant in I.S. Case No. 68 - 8135 for Estafa against Rodolfo & Corina Paulino;

"2. That the said Rodolfo & Corina Paulino, representing themselves to be the owners of a motor vehicle (Ford Cortina, 1965 model with Plate No. TX-2599- 67' Mla., Motor No. 113E-411679) and the lessees of one (1) unit line to operate the said vehicle as a taxi from the owner and operator of the Rivar Taxi, sold the said motor vehicle together with their alleged leasehold right over one (1) unit of the franchise of said taxi company in favor of the complainant and his wife, per written agreement a copy of which is hereto attached as ANNEX 'A' and made part hereof;

3. That per terms of the said agreement, the respondents particularly Corina Paulino warranted the legality, terms and conditions of the sale and the assignment of the lease to the complainant and bound herself to defend and protect the rights of the complainant to the vehicle sold and to the lease assigned under the said agreement;

4. That in consideration of the sale and assignment above-mentioned, the complainant paid respondent Rodolfo Paulino on different occasions the total amount of P1,868.00 as advance payments as evidenced by three (3) separate checks, copies of which are attached hereto as ANNEXES 'B', 'C' & 'D', which checks were all encashed by respondent Rodolfo Paulino;

5. That as a condition precedent to further payments, respondents promised and agreed to deliver to the

complainant the following items: (a). the cor-responding deed of sale of the motor vehicle in favor of the complainant; (b). the certificate of registration of the said motor vehicle; (c). the contract of lease that the respondents have with the Rivar Taxi; and (d). the franchise owner's consent to the assignment of the lease;

6. That despite of their said promise, respondents failed to deliver the said deeds and documents and until now have not delivered the same; and that instead of complying with the same, respondents threatened the complainant with suit for the collection of the full price and as a matter of fact, they made good their threat by filing an action in court against the complainant and his wife;

7. That because of the unreasonable and unfounded refusal of the respondents to deliver the said deeds and documents, the complainant instituted an action with the CFI of Pasay City for the annulment of the aforesaid agreement and for damages against the respondents; a copy of the said complaint is attached as ANNEX 'E' and made part hereof;

8. That the respondents herein, Rodolfo & Corina Paulino are patently guilty of deceit & fraud in executing the aforesaid agreement with the complainant to the damage and prejudice of the latter, because as subsequently discovered by the complainant, respondent Corina Paulino is not in fact a lessee to any unit of the Rivar Taxi; neither is she the registered owner of the said motor vehicle subject of the sale. A copy of the certificate of the Public Service Commission attesting to the non-existence of the alleged lease and the photostatic copy of certificate of registration with the Land Transportation Commission are attached as ANNEXES 'F' & 'G' and made part hereof;

9. That the deceit, fraud and misrepresentation of the respondents had been further confirmed and corroborated when representatives of the owner and operator of the Rivar Taxi impounded the said vehicle by detaching its plate number and detached and con-fiscated all the stickers and accessories of the same by virtue of the order and authority of the owner and operator of the said taxi company;

10. That the complainant subsequently informed respondent, Rodolfo Paulino, of what happened to the taxi which he sold to the former but Rodolfo Paulino simply stated that he has 'no more business with the matter because he had already delivered the vehicle' to the complainant;

11. That the deceitful and fraudulent acts of the respondents in selling a motor vehicle and sub- leasing a franchise over which they have no prop-rietary nor leasehold right, and at the same time collecting payment thereof constitute the crime of ESTAFA punishable under the Penal Code; and

"12. That affiant further sayeth not. Manila, March 29, 1968.

(Sgd.) BENJAMIN Q. OLIVA

(Affiant)"

(Pages 182-183, Record.)

The foregoing affidavit came about as the basis of a estafa charge filed by Oliva against the Paulinos, which to the former' disappointment, was dismissed by the Office of the City Fiscal of Manila. And so, the Paulinos went after Oliva claiming that his above-quoted affidavit was perjured in the portions detailed in the above information. This case of perjury, as already stated, fell in the sala of respondent judge who after due trial acquitted Oliva. It is this acquittal that complainants, the Paulinos, charge was knowingly unjust and was the result of bias and ignorance of the law of respondent.

In his decision in question, respondent rationalized thus:

"Is it true that Corina Paulino is not in fact a lessee to the Rivar Taxi? The answer to this is the certification made by the Public Service Commission that no lease was ever recorded over a taxi of that line in favor of

Corina Paulino, (Exhibits '2', '2-B', '3' & '3-A'). Is the statement that neither is she the registered owner of said motor vehicle subject of a sale also true? The answer to this is the certificate of the Land Transportation Commission dated July 22, 1969 to the effect that the car in question (referring to the car subject of sale mentioned in Exhibits 'A' and '1') is still registered in the name of Lourdes Ridad. Is it also true that Corina Paulino and Rodolfo R. Paulino employed deceit and fraudulent acts in selling a motor vehicle and subleasing a franchise over which they have no proprietary nor leasehold rights? It being proven that the vehicle sold, together with the leasehold rights are still in the name of Lourdes Ridad and that the alleged special power of attorney in favor of Rodolfo Paulino is not duly registered with the Public Service Commission, hence, no legal power of attorney had ever been executed and, therefore, no legal leasehold right have been assigned (Exhibits '3' and '3-A'). Besides, this special power of attorney executed by Lourdes Ridad on October 19, 1965 in favor of Rodolfo Paulino is only to manage and operate the five (5) units of Rivar Taxi (Exhibits '7' and '7-A'), and does not include the power to lease or sell.

"Under Article 183 of the Revised Penal Code, false testimony in other cases and perjury in so-lemn affirmation states that perjury is committed even by affidavit if the accused: (a) states a falsehood (b) on a material matter (c) required by law (d) under oath (e) before a competent officer.

"Is there a falsehood in the affidavit in question marked Exhibit 'N'? The answer is none because the claim is supported by legal documents. It is therefore clear that the five requisites are not complied with and, therefore, there can be no perjury." (Page 87, Record.)

On the other hand, the thrust of the charge of complainants is that while it is true that the official documents relied upon by respondent would not show on their faces the ownership of Mrs. Paulino of the Ford Cortina car sold to Oliva nor the lease in her favor of the certificate of public convenience to operate the said car as a taxi, enough authentic documents and testimonies were presented at the trial before respondent which should have persuaded him to find that, as the taxi in dispute was being operated under a "kabit" arrangement with Rivar Taxi or Mrs. Lourdes V. Ridad, its owner, in truth and in fact, Mrs. Paulino was the owner of said taxi and had the authority to operate the same, notwithstanding the absence of any showing to such effects in the corresponding official documents.

Incidentally, it may be stated that the Court takes judicial notice of the fact that under the commonly known "kabit system", it is not possible for the true owner of a car which is operated as a taxi under a certificate of public convenience issued to another person, for a stipulated remuneration, to maintain the registration of the car in his name -- it must be registered in the name of the holder of the certificate --, and, moreover, the common practice is that the lease of the right to operate is not recorded in the Public Service Commission (now Board of Transportation), for the simple reason that, strictly speaking, the "kabit" arrangement is illegal.

Bearing this observation in mind, it is indeed possible for a person to actually own a car and operate it as a taxi without the public records attesting to such ownership and corresponding authority to operate. The parties to a "kabit" arrangement have to protect their respective interests thru other counter-documents between themselves. And from what appears in the various documents and papers attached to the complaint herein, the comment of respondent and the reply thereto of complainants, this is the important consideration that respondent is claimed to have overlooked. In his decision, respondent allowed himself to be guided strictly by the public records.

To be sure, We are satisfied, having in view, particularly, Annex 2 of complainants' reply, the "Formal Offer of Evidence" and also Annex 23, the "Memorandum of the Prosecution", that complainants did present enough evidence at the trial of the perjury case in question from which a finding of the "kabit" character of the taxi in question could have been made and, consequently, respondent could have discerned what were the true facts behind the public records in which the ownership of the car in question and the authority to operate it as a taxi on the part of Mrs. Paulino did not appear. From this consideration, it does not necessarily follow, however, that

respondent may be faulted as having knowingly rendered an unjust decision, much less that he was actuated by actual bias or ignorance of the law. The following portions of respondent's comment reveal, to Our mind, the considerations that respondent took into account in acting the way he did:

"x x x The Paulinos claim that such were the facts surrounding this taxi because the same was operated under the 'kabit' system where an owner of a motor vehicle who wants to operate a taxi but has no line registers the motor vehicle in the name of the franchise holder to go around legal requirements and prohibitions concerning the operation of public utility vehicles. At the time this was made, there was already a mis-representation of fact which is that the franchise holder is the owner of the vehicle when in fact, he is not. The party deceived by this misrepresentation or who pretends to be deceived is the government, the Public Service Commission and the Land Transportation Commission in particular and the public in general. It is this initial misrepresentation that spawned all these suits involving the parties and which eventually caught this court in the crossfire. The Paulinos and Lourdes Ridad are the original parties to this misrepresentation. Oliva is not privy to this because his relationship is with the Paulinos and not with Lourdes Ridad, the owner and operator of the Rivar Taxi. While government records show that the motor vehicle and leasehold rights to the franchise show that they pertain to Lourdes Ridad, the Paulinos allege, the real fact is that they are the beneficial owners of the vehicle and leaseholders of a unit of the franchise thereto and this fact is known to Oliva. This is precisely the meat of the matter which is addressed to the discretion of the court as borne out by the evidence. To the mind of the court the prosecution has not established beyond a reasonable doubt that at the time the accused made the alleged perjurious statements, he was aware of their untruth and that Oliva knows this fact. The fact that he made inquiries from the Public Service Commission and the Land Transportation Commission regarding the registration of the lease in the name of the Paulinos shows that during those times that he made these statements, he had doubts anent this matter, which doubts were confirmed when he discovered that the Paulinos are not in fact recorded lessees of any unit of the Rivar Taxi. These doubts were further confirmed when the registered lessee Lourdes V. Ridad withdrew Oliva's taxi from operation under the franchise of the Rivar Taxi, because if this unit of the franchise was really leased to Paulino, then Ridad would not have the authority to withdraw said taxi from operation under her franchise." (Pages 81-82, Record.)

In the light of this explanation of respondent, and considering that a judge is not to be assumed to be entirely immune to error, it is Our considered opinion that what is involved here is more an error of judgment than a case of actual partiality or deliberate malice. Even if it were conceded that the weight of the evidence presented by the prosecution were as complainants maintain it is, respondent claims, he was not convinced beyond reasonable doubt that Olivas knew of the falsity of his alleged perjured statements, and We do not Ourselves find in the record indubitable proof that he did. It results, therefore, that the complaint herein has to be dismissed. Incidentally, We note that there have been so many charges and countercharges between the Olivas and the Paulinos that, perhaps, it would be best for them to leave things as they are insofar as the present one is concerned.

Anent Administrative Matter No. 851-CJ, all that need be said is that the charge therein should have been taken up by the court together with the complaint in Administrative Case No. 1222, by the same complainant against the same respondent, since they both involve exactly the same facts. Indeed, the only difference between the two cases is that Adm. Case No. 1222 was a disbarment proceeding against respondent as a lawyer, whereas now he is being charged as a judge.

Now, in Adm. Case No. 1222, We rendered on February 27, 1976 a resolution exonerating respondent. We see nothing new in the present charge which would justify a different conclusion, even from the point of view of an administrative proceeding against a judge. We, therefore, adopt the findings and rulings We made in Our former decision.

WHEREFORE, the two respective complaints in these two cases are hereby dismissed.

Fernando, (Chairman), Antonio, Concepcion, Jr., and Martin, JJ., concur.
Aquino, J., took no part.

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